IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

in re:	Chapter 11
W.R. GRACE & CO., <u>et al</u> .) Case No. 01-1139 (JKF)
Debtors.) Objection Deadline: June 6, 2008 at 4:00 p.m. Hearing: June 23, 2008 at 1:00 p.m.
ORRICK, HERRINGTON & SUT TO DAVID T. AUSTERN, FUTUR COMPENSATION AND REIMBURS	TH QUARTERLY APPLICATION OF CLIFFE LLP, BANKRUPTCY COUNSEL E CLAIMANTS' REPRESENTATIVE FOR SEMENT OF EXPENSES FOR THE PERIOD IROUGH DECEMBER 31, 2007
Name of Applicant:	Orrick, Herrington & Sutcliffe LLP
Authorized to Provide Professional Services to:	David T. Austern, Future Claimants' Representative (the "FCR")
Date of Retention:	As of February 6, 2006 (pursuant to this Court's Order entered May 8, 2006)
Period for which compensation is sought:	October 1, 2007 through December 31, 2007
Amount of Compensation (100%) sought as actual, reasonable, and necessary:	\$2,577,801.25
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$ 276,906.50
This is an: X interim	monthly final application.

PRIOR APPLICATIONS FILED

Orrick was retained effective February 6, 2006, pursuant to this Court's Order entered May 8, 2006. Orrick has previously filed the following quarterly fee applications:

- a. First Quarterly Fee Application for the time period February 6, 2006 through March 31, 2006 in the amount of \$206,292.25 in fees and \$7,501.32 in expenses, for a total of \$213,793.57.
- b. Second Quarterly Fee Application for the time period April 1, 2006 through June 30, 2006 in the amount of \$456,045.25 in fees and \$14,568.92 in expenses, for a total of \$470,614.17.
- c. Third Quarterly Fee Application for the time period July 1, 2006 through September 30, 2006 in the amount of \$558,019.75 in fees and \$25,651.67 in expenses, for a total of \$583,671.42
- d. Fourth Quarterly Fee Application for the time period October 1, 2006 through December 31, 2007 in the amount of \$841,070.00 in fees and \$98,378.95 in expenses, for a total of \$939,448.95.
- e. Fifth Quarterly Fee Application for the time period January 1, 2007 through March 31, 2007 in the amount of \$1,098.668.00 in fees and \$57,670.14 in expenses, for a total of \$1,156,338.14.
- f. Sixth Quarterly Fee Application for the time period April 1, 2007 through June 30, 2007 in the amount of \$1,021,931.50 in fees and \$168,071.15 in expenses for a total of \$1,190,002.65.
- g. Seventh Quarterly Fee Application for the time period July 1, 2007 through September 30, 2007 in the amount of \$1,318,928.25 in fees and \$506,330.27 in expenses for a total of \$1,825,258.52.

<u>COMPENSATION SUMMARY</u> OCTOBER 1, 2007 THROUGH DECEMBER 31, 2007

Name of Professional <u>Person</u>	Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise	Hourly Billing <u>Rate</u>	Total Billed <u>Hours</u>	Total Fees
John Ansbro	Partner, 3 years in position; 12 years relevant experience; 1995, Litigation	\$625	559.90	\$335,062.501
Roger Frankel	Partner, 24 years in position; 36 years relevant experience; 1971, Bankruptcy	\$770	261.50	\$199,661.00 ²
Jonathan P. Guy	Partner, 7 years in position; 14 years relevant experience; 1993, Bankruptcy	\$650	25.40	\$16,510.00
Barbara M. Lange	Partner, 5 years in position 13 years relevant experience 1994, Corporate and Securities	\$575	10.30	\$5,922.50
Robert F. Lawrence	Partner, 10 years in position; 24 years relevant experience 1983, Environmental Law	\$650	30.50	\$19,825.00
Raymond G. Mullady, Jr.	Partner, 14 years in position; 24 years relevant experience; 1983, Litigation	\$695	491.80	\$332,071.003
Jay K. Musoff	Partner, 3 years in position; 14 years relevant experience 1993, Litigation	\$625	1.50	\$937.50
John Narducci	Partner, 11 years in position; 19 years relevant experience; 1988, Tax	\$775	0.20	\$155.00
Garret G. Rasmussen	Partner, 25 years in position; 33 years relevant experience; 1974, Litigation	\$700	166.50	\$116,550.00
Clayton S. Reynolds	Partner, 20 years in position; 28 years relevant experience 1979, Tax	\$700	29.20	\$20,440.00
Christopher Vejnoska	Partner, 20 years in position 27 years relevant experience 1980, Litigation	\$655	2.60	\$1,703.00
Richard H. Wyron	Partner, 18 years in position; 28 years relevant experience; 1979, Bankruptcy	\$700	151.50	\$104,125.00 ⁴

This amount reflects a reduction of \$5,250.00 (October 2007), \$7,281.25 (November 2007) and \$2,343.75 (December 2007) representing a 50% discount of hourly rates for non-working travel.

This amount reflects a reduction of \$1,232.00 (October 2007) and \$462.00 (November 2007) representing a 50% discount of hourly rates for non-working travel.

This amount reflects a reduction of \$1,807.00 (October 2007) and \$7,923.00 (November 2007) representing a 50% discount of hourly rates for non-working travel.

This amount reflects a reduction of \$1,925.00 (October 2007) representing a 50% discount of hourly rates for non-working travel.

Name of Professional <u>Person</u>	Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise	Hourly Billing <u>Rate</u>	Total Billed <u>Hours</u>	Total Fees
Mary A. Wallace	Of Council 5 years in a seiting	\$550	172.00	DD5 (45 00
Mary A. Wanace	Of Counsel, 5 years in position; 17 years relevant experience; 1989, Corporate	\$550	173.90	\$95,645.00
Christopher A. Britt	Associate, 7 months in position; 7 months relevant experience; 2007, Litigation	\$270	40.90	\$10,955.50
Stephanie M. Cowles	Associate, 7 months in position; 4 months relevant experience; 2008, Litigation	\$270	99.70	\$26,919.00
Joshua M. Cutler	Associate, 4 years in position; 4 years relevant experience; 2003, Litigation	\$465	165.60	\$77,004.00
Debra L. Felder	Associate, 5 years in position; 5 years relevant experience; 2002, Bankruptcy	\$490	443.10	\$213,689.00 ⁵
Alexandra G. Freidberg	Associate, 4 months in position; 4 months relevant experience; 2007, Environmental	\$270	83.00	\$22,410.00
Nicole M. Jones	Associate, 1 year in position; 1 year relevant experience; 2006, Litigation	\$355	86.20	\$30,601.00
Antony P. Kim	Associate, 4 years in position; 4 years relevant experience; 2003, Litigation	\$465	436.20	\$202,833.00
Daniel E. Knepper	Associate, 1 year in position 1 year relevant experience 2006, Real Estate and Global Finance	\$270	2.10	\$567.00
Stephen C. Lessard	Associate, 4 months in position; 4 months relevant experience; 2008, Tax	\$270	22.80	\$6,156.00
Katherine E. Maco	Law clerk, 9 months in position; 9 months relevant experience; bar admission pending, Litigation	\$270	187.40	\$50,598.00
Christopher O'Connell	Associate, 2 years in position; 3 years relevant experience; 2003, Litigation	\$430	189.10	\$81,313.00
John C. Pitts	Associate, 4 months in position; 4 months relevant experience; 2008, Litigation	\$270	54.50	\$14,459.50

⁵ This amount reflects a reduction of \$1,960.00 (October 2007) and \$1,470.00 (November 2007) representing a 50% discount of hourly rates for non-working travel.

Name of Professional <u>Person</u>	Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise	Hourly Billing <u>Rate</u>	Total Billed <u>Hours</u>	Total Fees
Courtney M. Rogers	Associate, 1 year in position; 1 year relevant experience; 2006, Bankruptcy	\$355	10.10	\$3,585.50
Emily S. Somers	Associate, 1 year in position; 1 year relevant experience; 2006, Litigation	\$355	482.90	\$168,429.75 ⁶
Katherine S. Thomas	Associate, 3 years in position; 3 years relevant experience; 2004, Bankruptcy	\$430	165.40	\$71,122.00
Annie L. Weiss	Associate, 3 years in position; 3 years relevant experience; 2004, Litigation	\$430	317.40	\$136,482.00
Catharine L. Zurbrugg	Associate, 2 years in position; 2 years relevant experience; 2005, Litigation	\$390	198.80	\$77,532.00
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Wilson Addo	Research Specialist	\$205	2.00	\$410.00
Rachael M. Barainca	Legal Assistant	\$150	252.40	\$37,860.00
James Cangialosi	Legal Assistant	\$235	172.50	\$40,537.50
Alan P. Dubin	Senior Research Specialist	\$205	2.80	\$574.00
Debra O. Fullem	Bankruptcy Research Specialist	\$225	47.60	\$10,710.00
Aurora M. Hamilton	Legal Assistant	\$200	19.00	\$3,800.00
Saira Hosein	Legal Assistant	\$205	5.50	\$1,127.50
Timothy J. Hoye	Practice Support Project Coordinator	\$195	100.30	\$19,558.50
Dmitry Iofe	Practice Support Project Tech.	\$190	11.50	\$2,185.00
Thomas Kim	Legal Assistant	\$180	10.50	\$1,890.00
John M. Mora	Litigation Tech Manager	\$240	1.20	\$288.00
Risa L. Mulligan	Research Coordinator	\$170	16.00	\$2,720.00
Aaron R. Thorp	Practice Support Project Coordinator	\$195	24.80	\$4,836.00
Logan West	Legal Assistant	\$85	94.60	\$8,041.00
Total			5,650.70	\$2,577,801.25
Blended Rate: \$456.19				

This amount reflects a reduction of \$266.25 (October 2007) and \$2,733.50 (November 2007) representing a 50% discount of hourly rates for non-working travel.

COMPENSATION BY PROJECT CATEGORY OCTOBER 1, 2007 THROUGH DECEMBER 31, 2007

Project Category	Total Hours	Total Fees	
Case Administration	30.80	\$4,710.00	
Compensation of Professionals-Orrick	104.00	\$21,992.50	
Compensation of Professionals-Other	43.00	\$6,637.50	
Due Diligence	83.00	\$37,639.00	
Litigation	4,7363.80	\$2,153,545.50	
Plan & Disclosure Statement	515.90	\$311,036.50	
Travel Time (Non-Working)	116.40	\$34,653.75	
TOTAL	5,650.70	\$2,577,801.25	

EXPENSE SUMMARY OCTOBER 1, 2007 THROUGH DECEMBER 31, 2007

Expense Category	Total
Brinks, Inc.	\$92.66
Capitol District	\$767.82
Court Call – Conferencing Services	\$385.00
Desksite	\$525.00
Document Technologies, Inc.	\$4,789.24
Duplicating	\$16,571.60 ⁷
Evans Reporting	\$1,400.00
Experts: Fees and Expenses	\$63,284.15
Hotel	\$7,359.84
Jane Rose Reporting Inc.	\$28,130.37
Meals	\$5,351.42 ⁸
Mileage	\$555.55
Pacer	\$2,231.68
Parking	\$1,050.30
Postage/Express Delivery	\$2,648.88
Publications re Testifying Experts	\$1,973.00
Secretarial Overtime	\$1,221.65
Specialized Legal Services	\$442.20
Telephone	\$208.90
Travel – Airfare/Train	\$38,666.44
Travel – Taxi	\$4,555.57
West Payment Center	\$354.66
Westlaw and Lexis Research	\$81,332.15
Williams Lea Inc.	\$13,008.42
TOTAL	\$276,906.509

⁷ Orrick has reduced its duplicating charge by \$8,285.87 to represent 10ϕ per page; the original total duplicating charge during the Application Period was \$24,857.47 based on 15ϕ per page.

⁸ Orrick has reduced its meal charges by \$1,098.58 consistent with the Fee Auditor's guideline.

⁹ This total reflects a further reduction of \$302.50 for certain temporary staffing charges.

Orrick's Client Charges and Disbursements Policy effective January 1, 2007, are as follows:

- a. **Duplicating** -- It is Orrick's practice to charge all clients of the Firm for duplicating at the in-house rate of 20ϕ per page; however, Orrick has reduced the duplicating cost to 10ϕ per page in order to comply with the Local Rules of this Court. This charge includes the cost of maintaining the duplicating facilities and the actual cost involved with respect to the duplication.
- b. Long Distance Telephone and Facsimile Charges -- Orrick charges clients for long distance telephone calls but not for local telephone calls. Necessary mobile phone usage is reimbursed to professionals submitting an appropriate bill. Out-going facsimile transmissions are charged at \$1.50 per page, plus any long-distance calling cost, and there is no charge for incoming facsimiles.
- c. **Messenger and Courier Service** -- It is Orrick's practice to use Federal Express or similar express mail delivery and third-party messenger services only in exigent circumstances (i.e., when needed to meet a deadline or when a next-day response from the recipient was necessary or beneficial to the case) and only when less costly than other available alternatives.
- d. **Overtime** -- It is Orrick's practice to allow professionals and paraprofessionals working more than 3 hours of overtime to charge a meal to the appropriate client at a meal charge limited to \$7.50 per professional. It is Orrick's practice to allow professionals and support staff to charge a car service or cab to the appropriate client when working at least 2 hours of overtime. Orrick endeavored not to incur overtime charges unless necessary to benefit the case and in certain exigent circumstances.
- e. Computerized Research -- It is Orrick's practice to use computer-assisted legal research when it is efficient to do so. The charge to clients for Lexis and Westlaw are based on retail rates that do not include non-client specific volume discounts offered to Orrick. Use of fee based internet research services other than Lexis and Westlaw is charged at Orrick's cost. There is no separate charge for other internet research.

Respectfully submitted,

ORRICK, HERRINGTON & SUTCLIFFE LLP

By:_____

Roger Frankel, admitted pro hac vice

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Co-Counsel to David T. Austern, Future Claimants'

Representative

Dated: April $\frac{20}{2}$, 2008